

**March 8, 2004**

**City of Milton-Freewater  
City Council Minutes**

The Council of the City of Milton-Freewater met in regular session on Monday, March 8, 2004 at 7:00 p.m. in the Albee Room of the Library.

The following members were present: Mayor Key, Councilors Saager, Lyon, Records, Woods, Humbert, Kelley and Youth Representative Miller. Staff members present were City Manager Delphine Palmer, Assistant City Manager Linda Hall, Grant Writer Mike Watkins, Police Chief Mike Gallaher, City Planner Gina Hartzheim, Public Works Superintendent Howard Moss, Electric Superintendent Mike Charlo and Finance Director Dave Richmond. Citizens present were Marcia Akes, Merle Sherman, Darrell Key, Pat Thomson, Greg Sterling, Paul Seaquist, Kenny Jenkins, and Doug Wright and Wayne Kinney both of LaGrande, Oregon.

Members of the press present were Jeff Durham of the Blue Mountain Pioneer and Sharee Wright of the Valley Herald.

CONSENT CALENDAR ITEM: Consent calendar items included minutes from the February 9, 2004 and February 18, 2004 council meetings and the re-adoption of Resolution No. 1947 to Designate Freewater Skate Park as an Outdoor Recreational Area. Councilor Kelley moved to adopt the consent calendar. Councilor Records seconded the motion which passed unanimously.

Wayne Kinney, representing Senator Ron Wyden, addressed members of council, staff and citizens regarding the Sykes closure. Mr. Kinney stated that in June, he will have been with Senator Wyden for eight years and remembers well speaking with City employees, economic development personnel and US West phone regarding Sykes. Mr. Kinney stated he remembered a huge effort and investment of mainly the City of Milton-Freewater, but also the State of Oregon and the Port of Walla Walla. Mr. Kinney also stated he was at the ground-breaking ceremony and remembered the gentleman with Sykes from North Carolina motioned across, what would become a street, and talking about building a new facility. Mr. Kinney said they never meant it. They instead have outsourced their jobs to Asia and most recently, El Salvador. Mr. Kinney said this is just a "slap in the face" to rural Oregon, Milton-Freewater and rural America. Sykes took their money, and the way Senator Wyden sees it, they owe you, the City. At a minimum, Sykes should give the City the keys to the building. Senator Wyden is working on other avenues and will be available to help in any way possible. Senator Wyden, in fact, will be asking Sykes to give the building to the City of Milton-Freewater very soon. Mr. Kinney asked if there were any questions, but mainly expressed the anger that he and Senator Wyden and his staff feels about this tragic news. Councilor Records asked if Senator Smith was working on this issue too. Mr. Kinney said he had not contacted his office, but that he was sure both would be working together.

City Manager Delphine Palmer presented a certificate of appreciation to Jeff Durham of the Blue Mountain Pioneer stating that Mr. Durham would be leaving soon and has been the editor of the Blue Mountain Pioneer for the last two years. The certificate stated appreciation for his fairness, honesty and excellence in reporting the news of the City of Milton-Freewater from 2001 to 2004.

Jeff Durham responded saying he doesn't normally speak at public meetings, that he usually sits in the back of meetings and reports the event. He said he hoped the council thought he had done a fair and accurate job. Tomorrow's issue will be the 126<sup>th</sup> of the paper and it could have gone on with me as editor because Mr. Durham said he was not looking for a job, that he likes Milton-Freewater, he likes his job immensely, but a company in Forest Grove, Oregon (Mr. Durham said he knew these people for over a decade) called and said that one of their staff was about to retire after twenty-eight years and offered an application for the Associate Editor position for their magazine that circulates to six or seven western states. Mr. Durham said he was sad that his wife was unable to participate more in this City and to meet all the fine people here and other people that he sees everyday, due to her medical issues. One reason for moving to Forest Grove is that Mr. Durham said his wife treats with doctors at OHSU Medical Center in Portland.

Mr Durham further said there were some good things that have happened since he arrived in Milton-Freewater, the most remarkable is the building we are meeting in. After living in multiple cities in multiple states in every section of this country, all different sizes and has never seen a fundraising campaign as well done that resulted in such a nice facility. Agriculture is the bedrock of this community, but future changes in agriculture may not all be good. This community has to plan for the future and much of that will happen this evening with Mr. Greg Stine, who will be addressing council later in the evening. City Manager Delphine Palmer is also working very hard to push the City forward. Mr. Durham also said that good communities he has lived in has always had a good community newspaper. If you enter some communities and they look at little thread-bare, weather beaten, perhaps below critical mass, but then go to the post office and pick up a copy of their weekly newspaper, it may well be a reflection of the community. This town continues to deserve a good quality professional, literate community weekly newspaper. The Blue Mountain Pioneer will go on, but Mr. Durham said he did not know what form. Many from the community have advertised with the Pioneer and he said he appreciated this. Mr. Durham thanked the community for their support of the Pioneer during his tenure here. Mr. Durham then said that all council members, excluding the Mayor as he did not vote and the Youth Representative because he was not here, and the lone female voting member of city council, blew it! (The issue being the official newspaper vote last year). Mr. Durham said he felt the vote to be "a slap in the face" that council could have handled the issue better. He further said he had worked hard on this project for the last two and one-half years, as professionally as he could, and that the decision would not affect the Pioneer. Wanting to leave on a positive note, Mr. Durham said he loved living here, loved working here. Mr. Durham said his office is across the street from the high school and that he had seen many citizens in the office and they were always welcome. When the office was locked and dark, it was because Mr.

Durham was out trying to find citizens and take pictures at events. Mr. Durham stated he leaves the community with good feelings for all the people here who have been very friendly. City staff has been terrific, working with them more than council on a daily basis. Council has the best seats, and they have been helpful, forthcoming, honest and fair and Mr. Durham said he had tried to repay that.

Mayor Key announced this was the opportunity for citizens to approach the council with items not on the agenda. None approached.

## **NEW BUSINESS**

**PRESENTATION GREG STINE, POLARIS INC., BRANDING EXPERT.** Greg Stine presented to council and citizens his vision of Branding with the Frogs. Mr. Stine became associated with the City after a seminar he facilitated last fall where Grant Writer Mike Watkins attended. This evening, along with meetings tomorrow, Mr. Stine stated his purpose was to report his experience with branding and how the same principles that apply to business, also applies to communities. Throughout the nation, small communities are struggling. Fishing, agriculturally based, logging towns have seen the old economy turn over. There also seems to be a loss of young talent in small, rural communities. Mr. Stine said he is the owner and President of a marketing-advertising company. Besides cities, Mr. Stine's company works for businesses for profit and non-profit organizations, to help promote these organizations with a theme called branding. Mr. Stine said he is passionate about the small, rural community and said most of his business associates were in the Bay Area by San Francisco, but chooses to live in Oakridge, Oregon, a small community between Eugene, Oregon and Bend, Oregon. Mr. Stine asked the audience to give him the first response that comes to mind when he says the name of a company. Using Starbucks and Kodak as the example and the response being coffee and photos respectively, he then said Ashland, Oregon and Hood River, Oregon with responses of Shakespeare and Windsurfing respectively. He then revealed that these simple images were hooks. It doesn't explain the companies or the communities at length, but the hook or brand creates the simple image. Mr. Stine then spoke about the principles that support branding. After discussing several principles, Mr. Stine revealed the answers to a test, passed out previously, on community brands.

One citizen, who did not reveal his name or address, stated he felt the companies discussed had phenomenal budgets to promote their brand. Mr. Stine said that may be so for a few, but stated there are creative ways to promote the brand and thereby the City by creating the brand and building everything in the community around it.

A discussion ensued.

Jeff Durham, editor Blue Mountain Pioneer, stated he knew the community of Ashland, Oregon which is known for Shakespeare. Mr. Durham further said the citizens had a love-hate relationship with the City's brand Shakespeare.

Councilor Saager said the Chamber of Commerce started a festival in the fall for families and held a corn roast with a cost that was reasonable enough that everyone could come and enjoy good entertainment and spend an afternoon visiting with one another. This event was called “Milton-Freewater Corn Roast” for a time. Someone suggested having a festival with this event. The festival then became the “Muddy Frogwater Festival.” Councilor Saager said that as a participant with the corn roast at the Muddy Frogwater Festival, there are many people from miles around the area that come to the event.

**RESOLUTION NO. 1948 AUTHORIZE SIGNATURE TO ODOT AGREEMENT.**  
Public Works Superintendent Howard Moss stated this agreement with ODOT is to facilitate the construction of the traffic light at 5<sup>th</sup> Street and Highway 11. Some background to this is that the State of Oregon has dedicated funds to support the corridor, which is from SE 3<sup>rd</sup> to the Stateline. The City petitioned to ODOT three or four years previously to construct a traffic light at 5<sup>th</sup> Street. From these funds ODOT has fully designed the project with funds of approximately \$600,000.00 due to the complexity of the project; ODOT had to purchase the region building to widen and straighten the area, which action has transpired and the building will be removed. This building may be available to the City who may negotiate if there is any interest there. One reason for the widening of this street is to allow room for a turn lane and also salvage some for off-street parking for smaller vendors and delivery trucks for Safeway. This plan does not call for any general off-street parking. Two gentlemen, Doug Wright and Joe Gray from ODOT are available to answer any questions. Mr. Moss said he was aware of concerns about the planned closure of NE 5<sup>th</sup>. Mr. Moss has recommended the detour along Broadway, following signs to Old Town Freewater so the project can be done expediently. If traffic were allowed to continue along 5<sup>th</sup> Street, the project would be delayed. The City will not be required to spend any funds for this project.

Councilor Saager said the newspaper had stated ODOT does not own the Legion building at this time. Joe Gray, ODOT representative and Right-of-Way project manager for this project, stated that at this time an offer has been made to purchase the property from the American Legion hall. ODOT, however, has not gained possession of the property to date. In acquisition of property, it takes time to get appraisals and the Legion wants to relocate, so there are relocation items that need to be resolved. Councilor Saager said the newspaper had stated the proposed offer of the appraised value was not acceptable. Mr. Gray said this was common and was a major part of his job to resolve the purchasing issues. Councilor Saager stated he did not believe any of the business owners in Old Town Freewater would accept the closure of NE 5<sup>th</sup> Street for up to a year to complete this project. One lane will need to remain open for business. Doug Wright, ODOT Project Manager, stated that NE 5<sup>th</sup> Street was a City street and ODOT does not have jurisdiction to close the street down. This would be a City decision. ODOT’s concern is that they would not be able to stage construction due to the truck-turning radius; a truck uses two full lanes to turn onto or from NE 5<sup>th</sup> Street. What will happen if the City chooses not to close NE 5<sup>th</sup> Street is that ODOT will be forced to setup the project as no closure and the contract will be bid accordingly. Mr. Wright further said that Frank Reedy, Project Manager from Hermiston, Oregon will receive construction of this project. From that office they are hiring a public informant person which is Debbie Fine.

That person will basically work directly with the contractor and businesses because ODOT knows there are other concerns. At the same time the street is constructed, sidewalks will be constructed as well. When the sidewalks are constructed, ODOT will coordinate a day when no one goes across it and will also coordinate the safe zone. Coordination is essential to this project. When the time comes to make the connection with the highway, the project manager must close the road, and again, coordination will be essential with the local businesses. If the City chooses to close the road, the cost of the project will be much less and the project manager then can just complete the project. Mr. Wright further stated that ODOT has scheduled May 27<sup>th</sup> for a bid date on this project. Bid is then awarded to the lowest bidder and ODOT has 45 to 55 days before issuing a "Notice to Proceed." Another issue is that when the contractor orders the signal poles, they are always six to eight months out because signal poles are prescriptive. This just means that the contractor will finish the street and then there will be a lag in time until the signal poles are received. It is also possible that the contractor will wait for a time, construct the street and install the poles all at once, but ODOT does not direct the contractor. Mr. Wright also said that if there were any detours, ODOT would need to be informed.

Councilor Humbert stated he thought the construction of the NE 5<sup>th</sup> Street entrance should be done in a 35 day period and then asked if ODOT only planned to close for this time, not the entire construction time of approximately one year. Mr. Wright said ODOT had to develop a construction plan and then have that plan approved in Salem. ODOT will then submit a construction time frame that coincides with the paving season in September, because the project must be paved by the end of September. The time frame may then say that construction will be finished by September end and the poles will be finished by December end.

Councilor Woods asked Councilor Saager if 35 days for the closure of NE 5<sup>th</sup> would work for the business. Councilor Saager said the 35 days would work, but he did not believe any contractor could be held to that standard, especially in light of the North Main Street construction, which Councilor Saager expressed his opinion as being a fiasco. Mr. Wright said the North Main Street project was a much larger project.

Councilor Humbert said that council may want to examine the section in the agreement that says the City will allow a road closure. Councilor Kelley said the section was number five on page three of the agreement which does say that City will "give its consent as required by ORS 373.050 (1) to any and all closure of streets intersecting the highway, if any there be in connection with or arising out of the Project." Councilor Humbert then said he thought that as the agreement is written today, if council authorized signature, the City would agree to road closures by ODOT for this project. Mr. Wright said he thought this to be true and also said ODOT could not commit to a time frame as they cannot dictate to the contractor. Councilor Humbert asked Mr. Wright if there could be a bonus clause in the agreement for early completion of the project. Mr. Wright said that for now, his answer would be no, but that ODOT has bonus programs for asphalt, paving specs, etc. For emergency projects ODOT has been allowed to add a bonus

clause as well. With the cost of the project, Mr. Wright said he just wasn't sure, but he said he was willing to ask about the possibility of a bonus clause.

Councilor Woods asked what the differential cost would be between closing the street and not closing the street. Mr. Wright said he could not answer that question.

City Manager asked if the City could receive notice (1 week) before construction begins and road closures begin as there are a lot of elderly folks that come into town and they are used to coming only one way for years and is a concern as well. If we were given a weeks notice, a map could be submitted for publication in our local papers that would show the detours. Mr. Wright said this language could be placed in the agreement that the contractor is required to notify the City of closure. Also, at the pre-construction conference the contractor is required to submit a construction schedule.

Councilor Saager stated there was a north business district merchants meeting in the morning. Would it be possible to table this agreement for two weeks in order to have a discussion with the merchants?

A short discussion ensued.

Mr. Moss said that with the Public Works department, he routinely closes roads for safety, stating that a backhoe or grader can work much more efficiently and safely with a road closed than when open and subjected to vehicles and semi-trucks.

Mr. Moss asked Mr. Wright if he couldn't add a penalty clause in the agreement with regard to timelines. Mr. Wright asked what time frame would be acceptable to the City and Councilor Saager asked what would be acceptable to ODOT. Mr. Wright said with the relocation of the utility pole, street and sidewalk, the City would need to close this street for approximately 30 to 45 days. There is a 28-day period for the sidewalks to cure and Safeway trucks cannot be allowed to cross these sidewalks for that time period. Mayor Key said he thought the sidewalks could be poured after the street is finished. Mr. Wright said that was possible. Councilor Humbert said there are creative ways to work with sidewalks, but wanted a specified timeline for NE 5<sup>th</sup> Street closure for the street work with a penalty for non-compliance of a specified timeline and prior notification to the City before street closure.

Councilor Humbert moved to table this discussion till the next scheduled council meeting on March 22, 2004. Councilor Woods seconded the motion which passed unanimously.

#### **RESOLUTION NO.1949 AMEND FEE SCHEDULE FOR METER RE-READS.**

Finance Director Dave Richmond stated this resolution before council is a proposal to add a \$10.00 meter re-read into our fee schedule. There are a lot of customers that question their bill, especially this year due to the mild winter we experienced last year and the extreme winter we experienced this year. Customers now want to blame the meter-reader and request a re-reading of their meter. Our meter-reader employee has done sixty re-reads in the last two months, which requires extra time. Mr. Richmond said

the proposal is for a re-read fee and if the meter-reader actually finds an error on the City's side, there would be, of course, no charge to the customer. It is thought that the fee would discourage some of the frivolous re-reads.

Councilor Woods said he wanted to see a procedure in place that would review any billings that are "x" amount in excess of a previous year, perhaps 20%. Mr. Richmond said that many bills this winter were more than 20% higher than last year and there may be several variables contributing to the bill such as number of days in the cycle, outside temperature, indoor thermometer settings, etc. Nonetheless, there are still a number of re-reads and basically, it is due to the extremely mild winter last year and the extremely cold winter this year. Assistant City Manager Linda Hall asked Mr. Richmond if the statements reported average temperatures, which they do, so Ms. Hall said that it would be most helpful for customers who are comparing utility costs from one year to another, to also compare temperatures as well. Ms. Hall further said that her personal utility costs this winter were almost 50% higher and stated that many in the room could compare the same, but wanted to reemphasize that the City would not charge a customer if, in fact, an error was made by the meter-reader.

Councilor Saager said he thought that even if an error is made by the meter-reader, that the error is caught-up the next month; that the hands on the meter cannot be changed. Mr. Richmond said that is true. Councilor Saager further said that when temperatures are lower, it takes much more power to heat their homes and also, the cost of power is a little more expensive.

Councilor Kelley moved to adopt Resolution No. 1948 Amending the Fee Schedule adding a fee for meter re-reads. Councilor Records seconded the motion which passed unanimously.

**ADOPTION OF COUNCIL GOALS FOR FY2005.** City Manager Delphine Palmer stated that in a goal-setting session with council, goals that council had set in previous years were reviewed and council members added some proposed goals for FY2005. Ms. Palmer read each of the goals that council set: Promote Frog Theme. Explore expansion of the Urban Growth Boundary. Promote our Valley's Visibility (River, Wineries and Vineyards, Parks with River Access, Historic Districts, including City Hall and Carnegie Library, Coordinate with Neighboring Cities—festivals, dinner train, etc.). Identify Housing Development Areas within the City. Planned Housing Developments (develop design standards for future housing developments, explore housing assessment program for elimination of blight). Continue to support/retain current businesses and recruit new retail businesses. Continue to explore new revenue sources to maintain financial stability of City government. Evaluate current electric utility efficiency to prepare for known power purchase increases.

Councilor Saager moved to adopt the Goals set for FY2005. Councilor Kelley seconded the motion which passed unanimously.

## **MANAGER'S REPORT**

City Manager Delphine Palmer reminded everyone that tomorrow, Greg Stine will be addressing the Down Town Merchant's meeting at 7:00am, then at 9:00am he will discuss the frog promotion with City staff, and at noon Greg Stine will have a presentation at the Rotary luncheon which will be combined with CDP (Community Development Partnership), and finally our Town Hall meeting will be here at 6:30 tomorrow evening where Mr. Stine will inform our citizens at large.

## **COUNCIL ANNOUNCEMENTS**

Councilor Saager asked what the progress report was on the Skate Park and if the City was preparing for a second phase. Public Works Superintendent Howard Moss said the first phase has been positively received. The current status of the second phase is such that possibly the Ford Family Foundation Leadership group may donate \$7,000 to \$10,000 dollars. Grant Writer Mike Watkins has obtained \$3,000 from the Umatilla County Oregon Together Grant and from the same group, possibly another \$3,000 in the next fiscal year. Mr. Moss further said he felt that Phase II could be constructed for approximately \$20,000.00. Councilor Woods asked if there was enough light at the Skate Park and Mr. Moss responded saying he was working with Electric Superintendent Mike Charlo on this issue.

There being no further Council business, the meeting was adjourned at 8:38 p.m.

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Lewis S. Key, Mayor